

Objective	High Level Risk	Detailed Risk	Pre-control Risk Score	Controls	Source of Assurance	Post-control Risk Score
2.5 To ensure the Fund takes account of Responsible Investment (RI) factors in its investment decisions.	2.5 Failure to take account of RI factors in investment decisions	Failure to integrate Climate change and the transition to low carbon economy into the investment portfolio.	12	LAPFF and fund managers liaise directly with companies on climate change issues	Member of LAPFF, Managers reports, officers looking at ET index analysis of carbon exposure, LGPS central will have a team looking at this area.	6
2.8 Ensure the efficient transfer of assets to, set up and running of LGPS Central	2.8 Operating costs of the pool exceed budget, staff impacted and anticipated savings do not materialise, impacting Fund performance	Risk that the operating costs of the pool are too high and impact on the return of the Fund	9	Budgets for operating costs are in place, monitored and there is a cost sharing mechanism in place.	Shareholders approve annual budget. Practitioners advisory forum of the pool monitor spend against budgets quarterly.	9
2.8 Ensure the efficient transfer of assets to, set up and running of LGPS Central	2.8 Operating costs of the pool exceed budget, staff impacted and anticipated savings do not materialise, impacting Fund performance	Risk that the forecast savings from pooling do not materialise, impacting the performance of the fund.	16	Transition plans are in place, senior management team of LGPS central will monitor fees and have processes in place. SPF input via shareholders forum, LGPS central joint committee and practitioners forum.	Shareholders forum, LGPS central joint committee and practitioners forum. Savings are reported. CEM are in place for Benchmarking, ? (was Kass bank)	16
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	EU General data Protection Regulation, not being fully implemented in the administration of the Staffordshire Pension Fund.	16	Fund Officers continue to attend briefings and training and along with the assistance of the Information Governance Team ensure that the Fund has implemented the revised Data Protection Regulations.	Privacy statements and policies are in place from 25th May 18. Staff training delivered, and staff aware of key risks and sanctions (fines for breaches)	12
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	GMP reconciliation process may not be delivered by statutory deadlines due to resource clashes	6	Identify priorities and schedule work as appropriate	Project monitored and largely complete	4
4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Several high level employer structure changes are occurring during 2018 which may impact on the sections service delivery capability	12	Identify priorities and schedule work as appropriate. Staff recruitment, consider bulk projects	Actuarial and legal advice, appropriate funding arrangements, staff are aware of changes	9
4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Migration of Staffordshire Fire Pension Schemes to WYPF including parallel run of payrolls. Will impact on resources and will coincide with year end processes	12	Identify priorities and schedule work as appropriate	Heywoods doing much of the work, support from WYPF	6
4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Work with and monitor JLT on backlog processing. Will require some resource from within the section. Performance and contract monitoring	12	Embed suitable process and control procedures with JLT and put in place regular catch up meetings	Samples being checked, more simple lower risk cases being undertaken, no set timescales, no transfer of monies	6
4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Implementation of HEAT. Additional resources will need to be allocated to cover the processes going forward	12	Resource accordingly, work with hymans to ensure appropriate data capture	Hymans ongoing data checks and comparison against valuation and employer data submissions	4

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4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure of scheme employers to correctly use the i-Connect monthly upload or system failure of i-Connect	8	i-Connect self tests data before submission accepted. The Pensions Section will also carries out tolerance checks on data received. System failure is covered by the potential to reverse and retro load data if required.	Audit, inbuilt controls and tolerance checking.	4
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure to comply with TPR CoP 14 and actuarial data quality requirements resulting in data issues at the 2019 scheme valuation	12	The section uses Heywoods (software provider) and Hymans (Actuary) data quality monitoring systems. A project in in place on the run up to the 2019 scheme valuation to ensure scheme data is compliant in all areas.	High TPR compliance score demonstrated by evaluation software	6
3.6 To ensure that the existing and prospective liabilities arising from circumstances unique to different scheme employers are taken into account by the Actuary	3.6 Failure to identify, monitor and reflect the unique characteristics of employer's liabilities for example maturity in setting contribution rates including those employing bodies getting close to having no active members	Failure to have a Covenant Monitoring process in place to take into account the long term financial stability of employers of the fund.	16	Covenant monitoring processto be put in place	annual review of employer covenants, Actuary, triennial valuation	16
4.4 Ensure administration compliance with regulatory codes of practice and legislation.	4.4 Failure to comply with regulatory codes of practice and legislation.	LGPS regulation change May 2018, early release of deferred benefits. Processing and funding issues (see duplicated on funding tab)	15	Systems updated and adequate staff resource and training in place	KPIs maintained at previous levels	15
3.1 To ensure the Fund has sufficient money to meet its financial commitments in the short term	3.1 Failure to ensure the Fund has sufficient money to meet its payment commitments including benefits, transfers, and investment decisions in the short term	LGPS regulation change May 2018, early release of deferred benefits. Processing and funding issues (see duplicated on admin tab)	10	Factored in actuarial valuation	Actuarial valuation, HEAT	10
3.2 To ensure the solvency of the scheme i.e. to ensure the Fund has sufficient money to meet its benefit outflow (minimum 100% funded in long term)	3.2 Failure to ensure the solvency of the Fund i.e. to ensure it has sufficient money to meet its benefit outflow in the long term (minimum 100% funded in long term)	Failure to procure an Actuary to carry out an independent valuation of the Fund in accordance with regulations	15	Regulatory requirement to appoint an independent actuary and to carry out an actuarial valuation every 3 years.	Actuarial report produced by independent actuary, Pension Board	6
2.8 Ensure the efficient transfer of assets to, set up and running of LGPS Central	2.8 Operating costs of the pool exceed budget, staff impacted and anticipated savings do not materialise, impacting Fund performance	Failure to have appropriate transition arrangements in place to ensure the continued security of assets and efficient and cost effective transfer of assets into LGPS Central.	20	Transition manager is appointed by partner funds	Procurement through LGPS transition framework. Custody records and investment team reconciliations	12
4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Failure to maintain and monitor a breaches log	15	Breaches log exists and regular monitoring processed are in place and reviewed.	Pensions board monitor and Pensions officers review meetings	6